STATEMENT OF COMMISSIONER MICHAEL J. COPPS APPROVING IN PART, DISSENTING IN PART

Re: Applications of Cellco Partnership d/b/a Verizon Wireless and Rural Cellular Corporation for Consent to Transfer Control of Licenses, Authorizations, and Spectrum Manager Leases.

Today's item permits Verizon Wireless to acquire Rural Cellular Corporation (RCC) subject to the divestiture of customers, facilities, and spectrum in several markets across the country. While I am always troubled by additional concentration in the wireless marketplace, these divestitures will improve competition in the affected areas (as compared to an unconditioned merger) and I am glad we require them. I think it is particularly important that Verizon will divest all of RCC's spectrum, facilities and customers in Vermont to the nation's largest GSM carrier—it will ensure that native Vermonters and visitors to the state who happen to have GSM phones will continue to be able use their handsets. I applaud the hard work of Senator Sanders and other members of the Vermont delegation, as well as of Vermont's state agencies, in focusing the Commission's attention on this issue. I also hope that the ongoing discussions between the Vermont Telecommunications Authority and Verizon about expanding coverage in the state will continue in good faith and will ultimately prove fruitful. The public-private partnership that VTA has proposed could prove to be a critically important model for how to expand wireless coverage in rural areas. I, for one, will be watching its progress closely.

I dissent, however, to the portion of the item that includes the 700 MHz spectrum band in calculating the spectrum screen used in this transaction. The licenses won in our auction earlier this year will not even be available for use until February 2009 and it may be several years before it is ever used commercially by a majority of licensees. As I have explained in earlier statements, we have already been cavalier in applying this altered spectrum screen to prior transactions and we ought not put the cart before the horse yet again in an effort to encourage still more consolidation in the wireless industry.

I do wish, however, to express gratitude to my colleagues for their willingness to ensure that today's Order does not unnecessarily prejudge spectrum cap calculations in future transactions. In the years ahead, we will certainly need to consider the appropriate time and manner to account for certain spectrum bands that, like the 700 MHz band, are being transitioned into uses that include CMRS. But we must conduct this inquiry in a reasonable, careful and systematic manner, and I look forward to working with my colleagues on this important topic.